

BEFORE THE MISSISSIPPI STATE BOARD OF CONTRACTORS

IN RE: HANKIN ENVIRONMENTAL SYSTEMS
Unlicensed

RESPONDENT

MEMORANDUM OF UNDERSTANDING AND AGREEMENT

A. Parties

This Memorandum of Understanding and Agreement (collectively, the "Agreement") is made and entered into by HANKIN ENVIRONMENTAL SYSTEMS and between the Mississippi State Board of Contractors, a public body of the State of Mississippi created under Miss. Code Ann. § 31-3-1 *et seq.* (1972), as amended, (the "Board") and, a party subject to regulation as defined in Miss. Code Ann. §31-3-1 (1972), as amended, for resolution by compromise and settlement of all claims, controversies and allegations arising out of the dispute as set forth below.

B. Recitals

This Agreement is entered into with reference to the following facts.

1. It is alleged HANKIN ENVIRONMENTAL SYSTEMS submitted a bid, entered into a contract or otherwise engaged in the business of a contractor without a valid certificate of responsibility in violation of Miss. Code Ann. §31-3-21. Specifically, it is alleged HANKIN ENVIRONMENTAL SYSTEMS performed commercial construction work at Calgon Refractory project (the "Project") located in Bay St. Louis, MS, in the amount of \$2,743,035.00, without the proper Certificate of Responsibility.

2. The State Board of Contractors has authority to suspend or revoke a Certificate of Responsibility and/or assess a civil penalty in an amount up to three percent (3%) of the total contract price of a project upon a finding that a particular contractor is not responsible or properly licensed pursuant to Miss. Code Ann. §31-3-13 and §31-3-21 (1972), as amended.

3. Notwithstanding the above and solely in order to avoid the cost and uncertainty of further proceedings, HANKIN ENVIRONMENTAL SYSTEMS and the Board desire to compromise and agree to a mutual release of their rights and obligations in connection with the complaint before the Board.

C. Preliminary Agreement

1. The Board and HANKIN ENVIRONMENTAL SYSTEMS hereby mutually agree to the following:

a. HANKIN ENVIRONMENTAL SYSTEMS fully understands and appreciates that Miss. Code Ann. §31-3-13(e) (1972), as amended, requires that the Board provide those accused of violating its governing statutes with a notice and hearing. HANKIN ENVIRONMENTAL SYSTEMS has voluntarily waived such right, and in lieu of a hearing elects, without prejudice and with no admission of liability, to: (i) settle the Board's claims as set forth in Section B herein; and (ii) agree to the imposition of a civil penalty pursuant to the Board's Rules and Regulations.

b. Pursuant to the Board's Rules and Regulations, HANKIN ENVIRONMENTAL SYSTEMS agrees to the imposition of a 1% civil penalty in the amount of \$27,430.35.

c. This Agreement will be presented to the Board for approval at its next scheduled meeting.

d. It is understood and agreed that this Agreement is executed and delivered in full and is intended to be a complete compromise and settlement of the above referenced allegations before the Board in respect of the Project against HANKIN ENVIRONMENTAL SYSTEMS.

e. In executing and delivering this Agreement, the undersigned represent and warrant that they have not been unduly influenced by any representations, statements, or warranties made by the Board, HANKIN ENVIRONMENTAL SYSTEMS or by any agent, or other person representing any of them concerning the nature of legal liability therefore.

f. Any disputes which may arise under the Agreement shall be immediately submitted to and resolved by the Board.

g. In executing and delivering this Agreement, the undersigned represent and warrant that they acknowledge it is a violation of Mississippi law to undertake or offer to undertake construction work when not properly licensed pursuant to Miss. Code Ann. §31-3-1 et seq. and/or Miss Code Ann. §73-59-1 et seq.

h. In executing and delivering this Agreement, the undersigned represent and warrant that they agree to refrain from performing future construction work in Mississippi without a valid Mississippi contractor's license as required by Miss. Code Ann. §31-3-1 et seq. and/or Miss Code Ann. §73-59-1 et seq.

i. Nothing in this Agreement shall be construed as an admission of wrongdoing on the part of HANKIN ENVIRONMENTAL SYSTEMS.

IN WITNESS WHEREOF, we have affixed our signatures hereto on this the 23rd day
of August, 2023.

Hankin

HANKIN ENVIRONMENTAL SYSTEMS

Environmental Systems Inc.

By: H.M.

Harshad Modi Executive V.P.

STEPHANIE SILLS LEE, EXECUTIVE DIRECTOR
MISSISSIPPI STATE BOARD OF CONTRACTORS

By: S.S.L.